

Introduced by Senator Vasconcellos

February 25, 1999

An act to amend Section 10232.92 of the Insurance Code, relating to long-term care insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 870, as introduced, Vasconcellos. Long-term care insurance: assisted living benefits.

Existing law generally prohibits an insurer from delivering or issuing for delivery a long-term care insurance policy unless the insurer offers to the policyholder at the time of application, an option to purchase a long-term care insurance policy that (1) covers assisted living care in a licensed residential care facility or a residential care facility for the elderly and (2) pays a minimum benefit no less than 50% of the maximum benefit for institutional care.

This bill would additionally require that the optional policy use a threshold for eligibility of benefits of no more than 2 impairments of activities of daily living.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 10232.92 of the Insurance Code
- 2 is amended to read:
- 3 10232.92. No insurer shall deliver or issue for delivery
- 4 a long-term care insurance policy in this state unless the
- 5 insurer offers to the policyholder, at time of application,

1 an option to purchase a long-term care insurance policy
2 that covers assisted living care in a licensed residential
3 care facility or a residential care facility for the elderly as
4 defined in the Health and Safety Code—~~and~~, pays a
5 minimum benefit no less than 50 percent of the maximum
6 benefit for institutional care, *and uses a threshold for*
7 *eligibility of benefits of no more than two impairments of*
8 *activities of daily living*. The option to purchase an
9 assisted living benefit need not be made if coverage for
10 assisted living that pays a minimum benefit no less than
11 50 percent of the maximum benefit for institutional care
12 is already included in the policy.

